

amount, NANPA, Inc. may request relief from the NANC using the process outlined in Section 1.5.2 of the Requirements Document.

1.6.2.2 Customer Feedback Forms

A cornerstone of NANPA, Inc.'s performance monitoring mechanism will be the introduction of a feedback form that will be attached to the application notification form which is returned to each applicant. Applicants can use this form to comment on the level of service provided by NANPA, Inc. Data from these forms will be collated, analyzed, and used to effect changes, where appropriate, in NANPA, Inc.'s procedures.

1.6.2.3 Monthly Summary Report

Each month NANPA, Inc. will produce a report summarizing its performance. The report, which will be delivered to the NANC within ten working days after the end of each month, will contain at a minimum, the following data:

- The number of assignment requests received for each numbering resource during the month, the number of assignments or denials made, and the reasons for any denials.
- NANPA, Inc.'s performance in meeting its response time goals.

- Counts of information requests received, including a high-level summary of recurring topics of interest to callers.
- A summary of the ratings and comments provided by applicants through the feedback forms.
- A listing of and updated status on complaints received during the month from industry participants.
- A status report on NPA relief planning activities in progress.
- A summary of questions and feedback provided by visitors to the web site.
- A summary of any procedural changes implemented as a result of feedback derived from this performance monitoring process.

All of the monthly reports will be summarized for the annual NANPA review and assessment with the NANC.

1.7 Termination for Non-Performance

Bellcore agrees that NANPA, Inc. will cease to function for non-performance reasons as the new NANPA upon 60 days notice from the FCC.

1.8 Preparation and Submission of Proposals

Belcore believes that it has complied with all of the requirements of this section of the Requirements Document.

1.9 Evaluation of Proposals

1.9.1 Evaluation Process

Belcore has cooperated fully with the industry during the preparation of the Requirements Document, and will continue to do so during the evaluation period by providing any additional information about our proposal that may be needed by the evaluation team. Belcore will answer, in writing, any questions posed by the evaluation team and will meet with them on May 2 to present our proposal.

1.9.2 Evaluation Criteria

No response required.

1.10 Schedule

No response required.

1.11 Confidentiality and Use of Information

Belcore will use this Requirements Document, and any other information furnished to us under this Requirements Document, solely for the purposes of responding to this Requirements Document.

The Requirements Document will not be reproduced except in conjunction with the preparation of our proposal. No publicity or news releases pertaining to the Requirements Document, responses to this Requirements Document, or discussions of any kind regarding the Requirements Document or the selection of a respondent will be released without the prior written approval of the NANC.

1.12 Inquiries

No response required.

2. Proposal Outline/Respondent Information

Proposal Overview

This document is Bellcore's proposal to become the new NANPA, to continue the functions Bellcore has performed for the last fourteen years and to add the new functions associated with CO code administration and NPA relief planning. Bellcore does not wish to bid on the billing and collection functions, but will work with any entity chosen by the FCC to perform these functions.

The heart of Bellcore's proposal is the establishment of a separate subsidiary (NANPA, Inc.) to assume the responsibilities of the new NANPA. Current Bellcore NANPA employees will be transferred to NANPA, Inc. NANPA, Inc. will contract with Bellcore for essential support services, including technical consulting, legal consultation, web page support, payroll, accounts receivable/payable and other financial services, etc. To ensure neutrality, NANPA, Inc.'s Board of Directors will include members who are not Bellcore employees. Should the sale of Bellcore to SAIC fall through, Bellcore will divest itself of NANPA, Inc., which may then become a freestanding company or a subsidiary of another company, as the NANC wishes.

When fully staffed, NANPA, Inc. will have 28 employees. Core staff will include experienced administrators in order to insure continuity and uninterrupted service. For the remaining staff, a conscious effort will be made to recruit qualified individuals from other industry segments.

With this proposed organizational structure, Bellcore's response is fully compliant with the requirements specified in the Requirements Document. Independent of the sale of Bellcore to SAIC, it is our belief that NANPA, Inc. is structured in such a way as to be free of undue influence, and thus is compliant with criterion 3.

The unique strength of our proposal is the fourteen years of experience and the technical expertise that Bellcore and NANPA, Inc. bring to the table. Adaptation of the existing organizational structure to address the issue of neutrality affords the FCC and NANC with the unique opportunity to continue leveraging our experience and history to the benefit of the telecommunications industry. We believe that our approach and solution better addresses the long term needs of all who share the numbering plan and offers less risk to successful centralization of CO code administration. Bellcore recognizes that changes are needed for administration of the North America Numbering Plan and, in making this proposal, signals its desire to work with the industry and the FCC to find an acceptable solution.

Bellcore Information**Description of Business**

Bellcore is a solutions company supported by world-class applied research: Bellcore provides compelling business value by managing the complex delivery of network solutions to carriers, suppliers, end-users, and governments.

Bellcore's vision is to support our clients in becoming the primary enablers and/or providers of services that allow people and their machines to cost-effectively access information and communicate with each other easily, reliably, and securely anywhere, anytime, in any medium, or combination of media.

Bellcore is a telecommunications-based systems and network integrator providing multi-vendor solutions from concept to practical design, to application, pre- and post- implementation testing, quality assurance, and maintenance.

Since its creation in 1984, Bellcore has been a significant participant in the evolution of the nation's local exchange networks from voice-oriented telephone services toward multimedia information networking. The impact of major Bellcore initiatives can be seen in massive deployment of optical fiber, integration of computer systems that automate telephone company operations, new architectures such as the integrated services digital network (ISDN), intelligent network

capabilities, and enabling technologies for personal communications services, visual telecommunications and multimedia services.

Bellcore's engineers, economists, training specialists, behavioral, computer, and materials scientists, and other top-notch professionals have produced innovations and patents that are accepted by a worldwide telecommunications industry. Numerous international awards recognize their technical and professional achievement. Bellcore's innovations form the foundations for many network solutions.

Our global perspective and in-depth technical knowledge of network architectures, operations, reliability, and security is the result of years of collaboration with some of the world's finest computer, telephone, research, and government organizations. We have some of the most sophisticated and well-equipped communications, software research and development laboratories.

Bellcore applies its extensive knowledge of telecommunications networks and operations and emerging network technologies to provide high-quality business solutions that are cost-effective and timely. Bellcore's experience and expertise include:

- Integrating network operations and architectures
- Making smooth modifications, additions, and transitions to new software systems
- Customizing operations software

- Providing business and technical consulting professional services
- Improving business and financial systems
- Creating and installing revenue-generating software
- Evolving to broadband networking and services
- Developing advanced voice and messaging capabilities
- Developing disaster prevention and recovery procedures
- Creating new information services
- Preventing computer viruses and network intrusions
- Developing high-volume transaction databases
- Identifying network conformance and interoperability issues in complex network elements
- Developing service-specific costs, capabilities, software, and applications for business-performance management and regulatory compliance
- Designing and delivering job-relevant, hands-on training.

Belcore's organizational structure is designed to encourage customer focus, flexibility, and responsiveness, and to help optimize the use of resources for greater cost-effectiveness.

- **Software Systems** includes software system design, development, and maintenance.
- **Professional Services** includes consulting, Bellcore Training and Education Center (Bellcore TEC), integrated systems engineering, technical services, human performance analysis and product line management.
- **Customer Solutions** consolidates all the customer interface functions. It also includes marketing, service planning analysis, industry client relations, public policy and regulatory matters and information management services.
- **Applied Research** includes information sciences and technologies research, network architecture and analysis, and information networking research.

Financial Information

Bellcore's 1996 audited financial statements can be found in Appendix 12.2.

Additional Information

1. There are seven shares of voting common stock in Bell Communications Research, Inc. issued and outstanding. The seven shareholders of this stock, each shareholder holding one (1) share, are:

Ameritech Services, Inc.

Bell Atlantic NSI Holdings, Inc.

BellSouth Telecommunications, Inc.

Pacific Bell

Southwestern Bell Telephone Company

Telesector Resources Group, Inc.

US WEST Communications, Inc.

2. The seven telecommunications service providers that currently own Bellcore provided 77% of Bellcore's revenue in 1996.

More information on Bellcore's conformance to the neutrality criteria will be found in Section 1.2 of this proposal, which contains a detailed discussion of our conformance with each of the neutrality criteria.

List of Company Officers

BELLCORE OFFICERS

George H. Heilmeier

Chairman and Chief Executive Officer

Sanjiv Ahuja

President and Chief Operating Officer

Rodney L. Everhart	Senior Vice President and Chief Financial Officer - Finance and Administration
N. Michael Grove	Vice President and General Counsel
Robert S. Lucky	Corporate Vice President - Applied Research
Casimir S. Skrzypczak	Corporate Vice President and Group President - Professional Services
George C. Via	Corporate Vice President - Customer Solutions

BELLCORE BOARD OF DIRECTORS

James A. Eibel	Vice President (retired), Ameritech Network Services
John F. Gamba	Senior Vice President - Corporate & Human Resources, Bell Atlantic
Michael N. Gilliam	Vice President - General Manager Southwestern Bell Telephone Company
John R. Gunter	Vice President - Network Strategic Planning & Support BellSouth

Martin J. Kaplan President - Network Services Group Pacific Bell

Paul A. Lacouture Vice President - Engineering and Construction
NYNEX

Bud Wonsiewicz Vice President - US West Advanced Technologies

Performance Bond

Bell Communications Research, Inc. has obtained performance or surety bonds for work it has performed in the past, internationally. Under an arrangement with Chubb Group, Bellcore has available to it, performance bonds, both domestically and internationally.

Bell Communications Research, Inc. stands ready to provide any evidence required to demonstrate this.

Legal Proceedings

Bell Communications Research, Inc. is involved in current litigation, predominately regarding employment matters. It is not anticipated that the resolution of any current litigation could materially affect the financial strength of Bell Communications Research, Inc., or its abilities to perform its duties as the new NANPA.

Bell Communications Research, Inc. has provided a reserve for contingent liabilities in its financial statements for the year ended December 31, 1996, which its management believes is sufficient to

satisfy any liabilities for financial impact which may occur as a result of litigation in which it is currently involved.

References

Because Bellcore has served as NANPA for 14 years, its performance and reputation for this work is well known to the industry and regulators throughout the area served by the NANPA. For this reason we have not included formal references in this proposal. Should members of the evaluation team wish to speak to someone who has worked with us on a particular issue or area, we would be pleased to provide specific names and contact information.

2.1 Respondent Confidential Information

Bellcore will submit a non-confidential copy of this proposal to the NANC, as required.

3. NANPA Qualities and Attributes

As the North American Numbering Plan Administrator (NANPA) from 1984 to the present, Bellcore has exhibited its excellence with regard to all the qualities and attributes required of the new NANPA by the North American Numbering Council (NANC). Past performance speaks for itself and is a predictor of what the future can offer.

Bellcore has exhibited these qualities and attributes, to the entire North American telecommunications industry, from the time that the U.S. District Court assigned the NANPA function to Bellcore as part of the 1984 Modified Final Judgment (MFJ). These qualities and attributes were a part of Bellcore's NANPA performance even before they were recognized and identified by the North American telecommunications industry. Bellcore was instrumental in their eventual definition and documentation through the consensus-based processes of the Industry Numbering Committee (INC) and the NANC.

It is evident to Bellcore, through our extensive dialogue with the users and administrators of other domestic numbering plans worldwide, that the NANP is regarded as a model to study when those plans require revision in their formats, functions, or administration. In every country where the domestic numbering plan is, or has been under review, the domestic regulatory authority responsible for numbering plan oversight, and many of the entities participating in the numbering plan, have sought detailed information regarding the formats, functions, and administration of all

the numbering components of the NANP. In many cases, the resultant new plans have contained some aspects of the NANP. Bellcore, as the current NANPA, is proud of its role during the last 14 years in the justified perception that the NANP is one of the world's most effective and efficient public network numbering plans.

The current NANPA organization is also proud of the many NANP-specific accomplishments, changes, and projects that have been successful during its tenure as the NANPA, due, at least in part, to its active and conscientious participation and leadership. These specific accomplishments, changes, and projects (also further detailed in the following paragraphs) include:

- Implementation of interchangeable NPA and CO Code
- Expansion and reclamation of CIC
- Development of consensus assignment guidelines for every NANP resource
- Exceeding the timeliness of application response expectations, in a period of quadruple application growth, with no increase in personnel
- Development and publication of Long-Term Numbering Plan
- Instituting the NANPA Internet Web Site
- Increased awareness of, and response to wireless sector numbering issues

- Effective interaction with all 19 countries of the NANP
- Awareness of "Time T"
- Heightened industry and public awareness of numbering issues due to an active publicity campaign
- Leadership role in all domestic and international numbering forums
- Success of Numbering Strategies seminar series (1994-present)
- Quality, longevity, and reputation of the NANP worldwide

One measure of the success or failure of any entity in the performance of its responsibilities is the documented comments from those dependent on that entity for their needs. In that regard, Bellcore is proud of the fact that it has, over its 14 years as the NANPA, received many formal/informal, and written/verbal compliments from applicants, and other entities with which it has interacted, on its responsiveness and professional capabilities. In contrast, Bellcore is unaware of a single substantiated formal/informal, verbal/written complaint to any authority or forum responsible for the oversight of the NANPA calling into question Bellcore's excellence in any of the following qualities and attributes with regard to its performance of the NANPA responsibilities. This record should be viewed in the context of the telecommunications industry's environment of the last 14 years when numbering resource issues, including the methods and criteria for their assignment and

administration, have been at the least contentious and often divisive. It was a difficult period in which to be the NANPA and to emerge from it with a record and reputation of technical and administrative excellence and professional integrity. To this point as well, the FCC stated in Docket 92-237: "We note that the numbering plan has been administered over a long period of time with considerable skill and foresight. Indeed it is no exaggeration to say that the North American Numbering Plan is the envy of the rest of the world" (Paragraph 23), and that "Adequate long range planning is essential to minimize the investment costs needed to make changes. From this standpoint, the administration of the numbering plan by the Bell System, and subsequently Bellcore, seems to have served the nation well".

1. Knowledge of Telecommunication Network Operations

The key personnel that are currently assigned to the NANPA organization, and who would be in the future NANPA organization, have actual, not theoretical or textbook, technical experience in the many disciplines of telecommunications network operations and have, without question, the broadest knowledge of, and experience in, the methods, criteria, and guidelines for the use and allocation of NANP resources in North America. Obtaining an administrator with such experience and knowledge in an area so critical to the success of the entire North American telecommunications industry and each and every one of its embedded and new participants should be the key consideration in the selection of the new NANPA.

Network Operations Knowledge

The real-world technical network operations experience resident in the current NANPA and the Bellcore organization includes local, interexchange, international, wireline, wireless, and satellite networks and, in addition to numbering/dialing, expertise in areas such as network design, network engineering, network management, traffic engineering, signaling systems, support systems, and network software development. This real-world experience has been instrumental in Bellcore's ability to understand and respond with a high degree of technical competence and credibility to resource applicants that are similarly or less qualified in an effort to ensure that they receive the numbering resources required to meet the technical and business requirements of their networks and services in conformance with the various NANP resource assignment guidelines. Not assigning the appropriate resources to a network operator or service provider the first time can be costly to that entity as well as other entities if different resources must be assigned later to meet the actual requirements of the applicant and their users.

In addition to the expertise resident in the current NANPA organization itself, as is evident in the resumes in Section 3.1, the new NANPA, as a fully separate subsidiary of Bellcore, will also have full access, on a consulting basis, to the ~5,000 subject matter experts at Bellcore. Virtually every technical field of telecommunications, past, current, and future, has a nationally and internationally recognized subject matter expert in-house at Bellcore. Bellcore has produced countless Requirements Documents, TR's, etc. and BOC Notes on the LEC Network which includes an oft

quoted section on numbering. Bellcore is recognized as a premier research institution in the development, maintenance, and enhancement of current telecommunications technology as well as a leader in the development of future technologies.

Specifically, with regard to routing, rating, and billing, Bellcore, but not the NANPA organization, has developed, maintained and published the contents of the routing and rating databases used by the North American network operators to ensure accuracy in the routing and billing of calls handled by their networks. The NANPA organization communicates daily with this other Bellcore organization in order to ensure that the resources assigned by the NANPA are accurately reported in their publications.

Bellcore is also in the forefront of telecommunications billing systems development. During its 14 years as the NANPA, all this expertise has been readily available, on a real-time basis, to the NANPA personnel and would continue to be available to the NANPA subsidiary via a consulting agreement with Bellcore's Numbering Strategies organization.

This broad network operations knowledge will also be available to the NANC, and the entire North American telecommunications industry as Enterprise Services.

Use and Allocation of NANP Numbering Resources Knowledge

Bellcore's knowledge in this area is second to none in the entire telecommunications industry.

With 14 years experience as the NANPA, there can be no entity with equivalent current knowledge

in these areas. With the additional experience of administering the CO Codes for the 809 NPA (16 Caribbean countries and Bermuda), during this same period, Bellcore has direct experience in that area as well.

Regarding knowledge of the appropriate use and allocation of numbering resources, Bellcore has been instrumental in the development of all the past and current numbering assignment guidelines in use in North America. Prior to the formation of the INC and its consensus-based development of numbering assignment guidelines, Bellcore, in the absence of such industry documents, unilaterally developed the guidelines that were first used by the industry to allocate and assign numbering resources. These guidelines were then used as the baseline for development of the consensus-based guidelines documents that we have in place today. Bellcore was an active participant in the INC process for the development of these industry guidelines to the extent that NANPA personnel, at the request of the appropriate INC working groups, often wrote the first draft iteration guidelines documents for many of the NANP resources that the INC would then revise and approve. In some cases, such as the development of CO Code Assignment Guidelines, NANPA initiated the effort and also served as one of the working group co-chairs that developed the approved document.

Current NANPA personnel have been actively involved in assisting the Canadian Steering Committee on Numbering (CSCN) in the development of Canadian based numbering resource assignment guidelines, which are often adaptations of the INC-developed documents.

This level of expertise and continuity of knowledge is not only of value to the NANPA organization in its proficiency as the NANPA, but to the entire North American telecommunications industry as a resource to ensure the accurate, efficient, and effective administration and assignment of a public and finite resource.

2. Information Resource Capability

If the NANC recommends Bellcore as the new NANPA, it not only gets the broad telecommunications expertise of those within the NANPA organization, but also Bellcore's ~5,000 telecommunications subject matter experts as a resource to be tapped by NANPA personnel and, through the NANPA, resource applicants. Examples of some of the Bellcore expertise specifically related to numbering include:

- **Knowledge and Experience in Numbering Resource Issues** - as a result of serving as the current NANPA for the past 14 years, Bellcore has amassed considerable knowledge and experience in numbering resource issues. Since 1984, Bellcore has assigned over 100 area codes, has published countless Informational Letters and Planning Letters announcing new area codes, jeopardy situations, new numbering resources and the like, and is frequently consulted by the telecommunications industry, e.g., INC, FCC, service providers, for its advice and suggestions on numbering matters. The current NANPA has introduced numerous numbering issues in the ICCF and INC, and has actively participated in and has often held leadership positions in the resolution of these and many other

numbering issues of importance to the service providers, end users and regulators. It is not an exaggeration to say that in many cases NANPA is the first to be contacted in seeking an answer to domestic or international numbering, routing, rating and other questions. It was this fact that motivated NANPA to create and expand its web site to include a broad range of information requested by the public.

- **ITU Recommendation E.164** - the Numbering Strategies organization at Bellcore has in its group the current chairman of the ITU committee (Q1/2) responsible for the maintenance of not only Rec. E.164, but all numbering and dialing Recommendations under the purview of the ITU, e.g., Recs. E.164.1 [Assignment Criteria], E.190 [Assignment Principles], E.169 [UIFN], E.191 [B-ISDN Numbering], E.168 [UPT]), as well as the co-editor of the current iteration of Rec. E.164. The Numbering Strategies organization will make its expertise available, on a real-time basis, to the new Bellcore NANPA.
- **The North American Numbering Plan and its Administration** - Bellcore currently shares and will continue to share, as the new NANPA, its 14 years of experience and continuity with every NANPA resource applicant. The sharing of this experience and knowledge saves applicants effort and expense in that they can be assured, after such consultations, that their applications will be complete and accurate the first time, that the

advice they are acquiring from the NANPA is based on the widest knowledge, and that it includes first hand knowledge of the history and context of the NANP.

Since 1995, Bellcore has shared this knowledge and expertise with the world's telecommunications industry by conducting numerous numbering seminars called *Numbering Strategies*. Although presented throughout North America and attracting participants from a cross section of the North American telecommunications sector, participants hearing of the value in the seminar have come from Asia, Latin America, Europe, and Africa to learn the principles of numbering plan design, management, and administration from the world's leading experts. This seminar was developed as, and continues to be, an impartial 2-day primer on numbering principles, plan design and function, regulatory oversight, industry numbering strategies, and domestic and international issues.

- **INC** - as detailed above, Bellcore's experience with the INC spans the entire existence of the Committee and includes direct experience and participation, as well as many leadership roles, e.g., CO Code guidelines, CIC expansion, 555 guidelines, on every working group ever formed within its organization. This experience is of inestimable value to the quality expected of the new NANPA as well as the assistance that can be provided to every resource applicant.

- **Regulatory issues affecting numbering** - as the current NANPA, Bellcore has interacted with the FCC staff personnel on many regulatory matters involving numbering. In many instances, the FCC staff has solicited the views of NANPA personnel, based on their experience and direct administrative responsibilities. In other instances, Bellcore, often as the NANPA, has submitted formal filings offering its opinions on numbering regulatory matters before the FCC. There has been a similar relationship with Industry Canada over the 14 years that Bellcore has been the NANPA. Additionally, the current NANPA organization has had frequent interaction with State Regulatory staffs when NANP-wide projects, e.g., CIC expansion, interchangeable NPA Code implementation, and Time T preparedness, has required their attention or impacted State-level decisions or policies. NANPA personnel have also interacted with the National Association of Regulatory Utility Commissioners (NARUC) staff on key numbering issues over the years, most specifically those under study for the implementation of uniform NANPA-wide policies. NANPA personnel sponsored and chaired the Future of Numbering Forum (FNF), established to address "renumbering policy" issues such as NANPA functions, responsibilities, and funding. This Forum held numerous meetings that resulted in significant "agreements". The FNF was disbanded when the FCC announced its intent to form the NANC to address many of the issues under discussion at the FNF. The experience gained in the area of numbering policy would be another attribute of Bellcore as the new NANPA available to all resource applicants.